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UNITED STATES DEPARTMENT OF AGRICULTURE
AGRICULTURAL ADJUSTMENT ADMINISTRATION

Marketing Quota Regulations
Flue-cured Tobacco - 1941-42 Marketing Year

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GENERAL

Sec.1. Definitions. As used in these regulations and in all instructions, forms and documents in connection therewith, the words and phrases defined in this section shall have the meanings herein assigned to them unless the context or subject matter otherwise requires.

a. Act means the Agricultural Adjustment Act of 1938 and any amendments thereto.

b. Committee means a committee within a county or community established under the Soil Conservation and Domestic Allotment Act. "County Committee", "Local Committee", or "Community Committee" shall have corresponding meanings in the connection in which they are used.

c. County office means the office of the County Agricultural Conservation Association, or the county or local committees or employees of such association, according to the sense in which such term is used.

d. Dealer means a person who engages, to whatever extent, in the business of acquiring tobacco from producers, without regard to whether such person is registered as a dealer with the Bureau of Internal Revenue, and any person engaged in the business of trucking tobacco to market and selling it for producers regardless of whether or not tobacco is acquired from the producer by the trucker.

e. Farm means any tract or tracts of land which are considered as a farm under the provisions of the 1941 Agricultural Conservation Program.

f. Field assistant means any field assistant, junior field officer, or a field officer, or any other employee of the Marketing Quota Section.

g. Floor sweepings means all tobacco which is dropped on the warehouse floor in the course of the warehouse operations and is picked up by the warehouseman. Any tobacco accumulated in the course of the grading of tobacco for farmers shall not be included as floor sweepings.

h. Market means the first disposition in raw or processed form of tobacco by voluntary or involuntary sale, barter or exchange, or by gift inter vivos. "Marketing" and "Marketed" shall have corresponding meanings to the term "market".

i. Marketing Quota Section means the Marketing Quota Section, East Central Division, Agricultural Adjustment Administration, United States Department of Agriculture, Washington, D. C.

j. Nonwarehouse sale means any marketing other than a warehouse sale.

k. Operator means the person who is in charge of the supervision and the conduct of the farming operations on the entire farm.

l. Person means an individual, partnership, association, corporation, estate, trust, or any agency of a State or of the Federal Government. The term "person" shall include two or more persons having a joint or common interest.

m. Pound means that amount of tobacco which, if weighed in its unstemmed form and in the condition in which it is usually marketed by producers, would equal one pound standard weight. The weight of redried or prized tobacco shall be increased so as to correspond with the original weight of such tobacco prior to redrying.

n. Producer means a person who, as owner, landlord, tenant, sharecropper, or laborer is entitled to share in the tobacco available for marketing from the farm, or in the proceeds of the marketing, under the provisions of his agreement relating to the production of tobacco.

o. Resale means the disposition by sale, barter, or exchange of tobacco which has been marketed previously.

p. Sale day means the period at the end of which the warehouseman bills to buyers the tobacco so purchased during such period.

q. Scrap tobacco means the residue accumulated in the course of preparing farm tobacco for market consisting chiefly of portions of tobacco leaves and leaves of poor quality.

r. Suspended sale means any marketing of tobacco at a warehouse sale for which a memorandum of sale is not issued by the end of the particular sale day on which such marketing occurred.

s. Tobacco means flue-cured tobacco classified in Service and Regulatory Announcement No. 118 of the Bureau of Agricultural Economics of the United States Department of Agriculture as types 11, 12, 13 and 14, and collectively known as flue-cured tobacco.

t. Tobacco available for marketing means all tobacco produced on a farm in the calendar year 1941 (and any tobacco produced on the farm prior to the calendar year 1941 and carried over to the 1941-42 marketing year) which is not disposed of through use on the farm or by storage prior to the issuance of a marketing card for the farm.

u. Warehouseman means a person engaged in the business of holding sales of tobacco at public auction at a warehouse during the tobacco marketing season.

v. Warehouse sale means a marketing by sale at auction through a warehouse in the regular course of business.

Sec. 2 Instructions and forms. The Administrator of the Agricultural Adjustment Administration shall cause to be prepared and issued such instructions and such forms as may be deemed necessary or expedient for carrying out these regulations.

Sec. 3 Tobacco subject to marketing quotas. Any tobacco marketed during the period July 1, 1941, to June 30, 1942, inclusive, and any tobacco produced in the calendar year 1941 and marketed prior to July 1, 1941, shall be subject to the marketing quotas for the 1941-42 marketing year.

FARM MARKETING QUOTAS 1/

Sec. 4 Amount of farm marketing quota. The marketing quota for a farm shall be the actual production of tobacco on the farm acreage allotment, as established for the farm in accordance with the "Procedure for Determination of Flue-cured Tobacco Acreage Allotments for 1941" (Form 41-Tob-35 and Supplement 1). The actual production of the farm acreage allotment shall be the average yield per acre of the entire acreage of tobacco harvested on the farm in 1941 times the farm acreage allotment. The excess tobacco on any farm shall be that quantity of tobacco which is equal to the average yield per acre of the entire acreage of tobacco harvested on the farm in 1941 times the number of acres harvested in excess of the farm acreage allotment.

Sec. 5 Issuance of marketing card. A marketing card shall be issued for every farm having tobacco available for marketing. The card shall be issued after information required for its preparation (including measurements of the harvested acreage of tobacco and an estimate of the actual production of tobacco) has been furnished to or obtained by the county office. If the farm operator refuses to furnish or prevents the county office from obtaining such information, the card shall show that all of the tobacco available for marketing from the farm is subject to penalty.

- a. Within Quota Marketing Card (Form 41-Tob-45). A "Within Quota Marketing Card" authorizing the marketing without penalty of the actual production of tobacco on the farm acreage allotment in 1941 shall be issued for a farm (other than a farm having tobacco carried over from a crop produced prior to 1941) under the following conditions:

1. If the harvested acreage of tobacco in 1941 is not in excess of the farm acreage allotment (except as provided in paragraphs 2 and 3 of subsection (b) of this section) and the operator of the farm does not operate any other farm on which the harvested acreage exceeds the acreage allotment.
2. If the farm is operated by a publicly owned experiment station and the tobacco is produced for experimental purposes only.

1/ Instructions for determining marketing quotas, issuing marketing cards, and with respect to the rights of producers in the quota for farms having tobacco which was produced thereon in a calendar year prior to 1941 and carried over to the 1941-42 marketing year will be issued in Supplement 1 to these regulations.

- b. Excess Marketing Card (Form 41-Tob-46). An "Excess Marketing Card" showing the extent to which marketings of tobacco from the farm are subject to penalty shall be issued for a farm under the following conditions:
1. If the harvested acreage of tobacco in 1941 is in excess of the farm acreage allotment or the operator of the farm also operates any other farm on which the harvested acreage of tobacco in 1941 exceeds the farm acreage allotment.
 2. If the acreage of tobacco planted on the farm in 1941 is in excess of the farm acreage allotment and the operator does not dispose of the acreage in excess of the allotment prior to harvesting such tobacco and within 15 days after receiving notice of such excess acreage from the county office.
 3. If a within quota marketing card could be issued for the farm but the county committee determines that a zero percent excess marketing card is necessary to protect the interest of the government and to insure the proper identification of and accounting for the disposition of tobacco produced on the farm and the proper use of the marketing card issued for the farm.
 4. If there is tobacco available for marketing from the farm but no tobacco acreage allotment was established.
 5. If information required for preparation of the marketing card is not furnished or the county office is prevented from obtaining the necessary information.
- c. Extent to which marketings from a farm are subject to penalty. The extent to which marketings of tobacco from any farm are subject to penalty (except as provided in Supplement 1 to these regulations) shall be that percentage of the tobacco available for marketing from the farm which the acreage of tobacco harvested in excess of the farm acreage allotment for the farm is of the acreage of tobacco harvested from the farm (or if tobacco is disposed of without marketing after harvesting, that percentage which the amount of tobacco available for marketing from the farm in excess of the farm marketing quota is of the total amount of tobacco available for marketing from the farm). Each marketing card showing a percentage excess of zero also shall show a maximum number of pounds of tobacco which may be marketed thereunder which shall be the quantity of tobacco estimated by the county committee to be available for marketing from the crop produced on the farm. For any excess marketing card which shows a percentage excess of more than zero the county committee, if it has reason to believe it to be necessary in order to prevent marketing thereunder of tobacco produced on another farm, also shall have shown on the card a maximum number of pounds which may be marketed thereunder, such number of pounds to be determined in the same manner as for a card showing zero percent

excess. The maximum number of pounds shown on any excess marketing card shall be increased by the county committee if the committee determines that the quantity of tobacco available for marketing from the crop produced on the farm is greater than the number of pounds previously estimated by the committee to be available for marketing.

- d. Number of marketing cards and entries and signatures thereon. One or more marketing cards may be issued for any farm as approved by the county office. All entries on each marketing card shall be made in accordance with instructions for issuing marketing cards. The Receipt and the "Operator's Agreement" on each marketing card shall be signed by the farm operator or on his behalf by his authorized representative and by the person who delivers the card to the operator.

Sec. 6 Disposition of excess tobacco. The amount of excess tobacco available for marketing for any farm shall be determined on the basis of the tobacco available for marketing from the farm at the time the marketing card is issued for the farm. Disposition of excess tobacco, other than by marketing shall be made only by the farm operator (or his representative) but the county committee (or a representative of the committee) shall approve the disposition. The county committee shall cause a record to be made showing the amount of tobacco (in acres or pounds) disposed of and may require the farm operator (or his representative) to sign a statement that such record is accurate before giving approval to the disposition. If part of the tobacco has been harvested prior to the disposition of the excess tobacco, the acreage to be disposed of shall be determined by dividing the excess acreage by the percent the representative tobacco remaining to be harvested is of the total tobacco harvested and remaining to be harvested. If all tobacco has been harvested prior to the disposition of the excess tobacco, the amount of excess tobacco available for marketing can be reduced only to the extent that the tobacco so disposed of is representative of the tobacco available for marketing from the farm.

Sec. 7 Report on marketing card. The operator of each farm on which tobacco is produced in 1941 shall return to the county office each marketing card issued for the farm whenever marketings from the farm are completed and in no event later than thirty days after the close of the tobacco auction markets for the area in which the farm is located. Failure to return the marketing card to the county office within the time specified shall constitute failure to give proof of disposition of tobacco marketed from the farm in the event that satisfactory proof of such disposition is not furnished otherwise.

Sec. 8 Additional reports by producers and identification of tobacco. In addition to any other reports which may be required under these regulations, the operator of each farm or any other person having an interest in the tobacco grown on the farm (even though the harvested acreage does not exceed the acreage allotment and even though no allotment was established for the farm) shall, upon written request by the Chief of the Marketing Quota Section, and within ten days after the deposit of such request in the

United States mails addressed to such person at his last known address, furnish the Secretary of Agriculture, by sending the same to the Chief of the Marketing Quota Section, a written report showing, as to the farm at the time of filing said report (a) the number of acres of tobacco harvested, (b) the total production of tobacco, (c) the amount of tobacco on hand and its location, and (d) as to each lot of tobacco marketed, the name and address of the warehouseman, dealer, or other person to or through whom such tobacco was marketed and the number of pounds marketed, the gross price, and the date of marketing.

Sec. 9. Rights of producers in marketing card. Each producer having a share in the tobacco available for marketing from the farm shall be entitled to the use of the marketing card for marketing his proportionate share of the total amount of tobacco available for marketing from the farm.

Sec. 10. Successors in interest. Any person who succeeds in whole or in part to the share of a producer in the tobacco available for marketing from the farm shall, to the extent of such succession, have the same rights as the producer to the use of marketing card for the farm.

Sec. 11. Person authorized to issue cards. The county committee shall designate one person to sign marketing cards for farms in the county as issuing agent. No marketing card shall be signed by the issuing agent until all other entries required to be made thereon have been made, except that the operator's receipt therefor and the Operator's Agreement therein may be signed after the issuing agent has signed the card, but prior to its delivery to the farm operator. Only one person shall be designated as issuing agent but such person may, subject to the approval of the county committee, designate not more than three persons to sign his name in issuing marketing cards; provided that each such person shall place his initials immediately beneath the name of the issuing agent as written by him on the card.

Sec. 12. Invalid cards. A marketing card shall be invalid under any of the following conditions:

- a. If it is not issued or delivered in the form and manner prescribed;
- b. If entries are not made thereon as required;
- c. If it is lost, destroyed, stolen, or becomes illegible;
- d. If any erasure has been made; or
- e. If any alteration has been made and not properly initialed.

In the event any marketing card becomes invalid (other than by loss, destruction, theft, omission, alteration, or incorrect entry which can be corrected by a field assistant) the farm operator (or the person having the card in his possession) shall return it to the county office at which it was issued.

If any marketing card is lost, destroyed, stolen, or altered, the person having knowledge of such loss, destruction, theft, or alteration shall notify the county office to that effect, and the county office shall immediately notify the field office of the Marketing Quota Section for the belt.

If any marketing card which was reported as lost, destroyed, stolen, or altered is later received by the county office, the county office shall immediately notify the field office of the Marketing Quota Section of the receipt of such card.

At the end of two weeks after receipt of notice of loss, destruction or theft of any marketing card the county office may issue a duplicate marketing card to replace the lost, destroyed, or stolen card in accordance with instructions issued pursuant to these regulations.

In the event any marketing card was improperly issued, has been altered, or becomes illegible, upon the return of the card to the county office a new marketing card shall be issued immediately, or as soon thereafter as the necessary information is available.

If any entry is not made on a marketing card as required (either through omission or incorrect entry) and the proper entry is made by a field assistant then such card shall become valid. If the field assistant is unable to make the proper entry, he shall return the card to the county office where it shall be retained until such entry is made, or a new marketing card is issued, as provided above.

Sec. 13. Additional cards and disposition of used cards. Upon the return to the county office of the marketing card after all the memoranda of sale have been issued therefrom and before the marketing of tobacco from the farm has been completed, a new marketing card of the same kind, bearing the same name, information and identification as the used card shall be issued for the farm. Any marketing card issued to replace another card shall have entered therein the total sales as shown on the marketing card which is replaced.

Sec. 14. Report of probable misuse of marketing card. Any information which causes any field assistant, a member of any local committee, or an employee of the county office to believe that any tobacco which actually was produced on another farm has been or is being marketed under the marketing card for a particular farm shall be reported immediately by such person to the field office of the Marketing Quota Section.

Sec. 15. No transfers. There shall be no transfer of marketing quotas.

MARKETING OF TOBACCO AND PENALTIES

Sec. 16. Memorandum of sale to identify every marketing. Each marketing of tobacco from a farm shall be identified by a memorandum of sale issued from the marketing card (Form 41-Tob-45 or 41-Tob-46) for the farm

but if a memorandum of sale cannot be obtained within four weeks after the date of the marketing of any tobacco at a warehouse sale, such marketing of tobacco shall be subject to penalty and the amount of penalty shall be shown on the memorandum of sale cleared without marketing card (Form 41-Tob-68). The memorandum of sale shall be issued only by a field assistant, with the following exceptions:

1. A warehouseman, or his authorized representative, who has been authorized on Form 41-Tob-75, may issue a within quota memorandum of sale to identify a warehouse sale, if a field assistant is not available at the warehouse when the card is presented by the farmer, but in such case the memorandum of sale shall be presented promptly by the warehouseman to the field assistant for verification with the warehouse records.
2. A dealer operating a receiving point for scrap tobacco at a redrying plant (and other regular receiving points operated by such dealer or his agents or employees) or at an auction warehouse, and who keeps records showing the information specified in subsection 26 (f), who has been authorized on Form 41-Tob-75, may issue a within quota memorandum of sale only if the farm operator has signed the "Operator's Certificate" on the back of the memorandum of sale.

The authorization to issue within quota memoranda of sale under paragraph 1 or 2 above may be withdrawn from any warehouseman or dealer upon written notice by the Chief of the Marketing Quota Section

Each excess memorandum of sale, after issuance by a field assistant, shall be checked by the warehouseman or dealer (or his representative) to determine whether the amount of penalty shown thereon to be due has been correctly computed, and the warehouseman or dealer shall be responsible for the correctness of such computations.

If the quantity of tobacco previously identified by memoranda of sale issued from any within quota marketing card is in excess of the number of pounds assigned to the card, the person issuing the memorandum shall require the farm operator to sign the "Operator's Certificate" on the back of the memorandum and if he is satisfied that such signature is the same as the signature of the farm operator on the marketing card, he may issue the memorandum. If any person other than the operator presents the marketing card, the memorandum of sale shall not be issued unless the "Authorization for Agent", on the back of such memorandum has been properly executed and signed by the operator, or by the person who presents the marketing card, in the event that such person signs his name as agent of the farm operator and places his address immediately beneath his signature. Any person authorized to issue a memorandum of sale under either of the above described circumstances who has reason to believe that the tobacco to be covered by the memorandum was not produced on the farm for which the marketing card containing the memorandum was issued, may or may not issue the memorandum as he considers advisable, but in either event he shall immediately make a written report of the circumstances in the case to the field office of the Marketing Quota Section for the belt in which the tobacco is sold.

Sec. 17. Bill of Nonwarehouse Sale. Each marketing of tobacco, except a warehouse sale, shall be identified by a Bill of Nonwarehouse Sale (Form 41-Tob-64) completely executed by the buyer and the farm operator, except for the entry of the serial number of the memorandum of sale. If the Bill of Nonwarehouse Sale is issued to cover scrap tobacco the word "scrap" shall be written thereon immediately above the words "Bill of Nonwarehouse Sale". The post card copy (Form 41-Tob-64a) shall be mailed by the farm operator not later than the day following the day on which executed. The original of each Bill of Nonwarehouse Sale covering any marketing except scrap tobacco shall be presented to a field assistant for issuance of a memorandum of sale (or a memorandum of sale cleared without marketing card) and for recording in the Dealer's Record Book in case of a purchase by a dealer other than a warehouseman. The original of each Bill of Nonwarehouse Sale covering scrap tobacco shall be delivered to a person at a receiving point who has been authorized to issue memoranda of sale. Such person shall issue the memorandum of sale and enter the serial number of such memorandum on the original of the Bill of Nonwarehouse Sale and forward all such bills with the applicable Record of Scrap Tobacco (Form 41-Tob-63).

Sec. 18. Marketings free of penalty. Any tobacco marketed from a farm which is identified by a valid memorandum of sale from the marketing card issued for the farm shall be free of penalty to the extent shown by the memorandum of sale.

Sec. 19. Marketings subject to penalty and collection of penalties.

- a. Farm tobacco. With respect to tobacco marketed from farms having excess tobacco available for marketing, the penalty shall be paid upon that proportion of each lot of tobacco which the tobacco available for marketing in excess of the farm quota (at the time of issuance of the marketing card) is of the total amount of tobacco available for marketing from the farm. The memorandum of sale issued to identify such marketing of tobacco shall show that portion of such marketing which is subject to penalty, and any portion of such marketing of tobacco which is not shown by the memorandum as being subject to penalty shall be free of penalty.
- b. Dealer's tobacco. Any marketing of tobacco by a dealer which such dealer represents to be a resale, but all or any part of which, when added to prior resales by such dealer as shown on the Dealer's Record, is in excess of the total amount of purchases as shown on such Dealer's Record shall be a marketing of tobacco subject to penalty unless and until the dealer furnishes proof acceptable to the Secretary showing that such tobacco is not subject to penalty. Any marketing of tobacco by a dealer which such dealer represents to be a resale of tobacco previously purchased by him but which, because of the difference in the price at which such tobacco is resold as compared with the price at which

he had purchased the tobacco, cannot reasonably be regarded as tobacco previously purchased by him shall be taken to be a marketing of tobacco subject to penalty.

- c. Tobacco not identified by a valid memorandum. Any marketing of tobacco which is not identified by a valid memorandum of sale shall be subject to penalty.
- d. Liability in case of error on memorandum. The person liable for the payment of the penalty upon any marketing of tobacco shall not be relieved of such liability because of any error which may occur on the memorandum of sale.

Sec. 20. Persons to pay penalty and deduction from purchase price.

- a. Warehouse sale. If the tobacco is marketed by the producer through a warehouseman the penalty shall be paid by the warehouseman, who may deduct an amount equivalent to the penalty from the price paid to the producer.
- b. Sale other than warehouse sale. If the tobacco is acquired from the producer in any manner other than through a warehouse sale, the penalty shall be paid by the person who acquired the tobacco, but such person may deduct an amount equivalent to the penalty from the price paid to the producer.
- c. Agent. If the tobacco is marketed by the producer through an agent who is not a warehouseman, the penalty shall be paid by the agent, who may deduct an amount equivalent to the penalty from the price paid to the producer.
- d. Agent in case of false representation. If any person markets tobacco representing that such tobacco is being marketed from one farm when in fact such tobacco is being marketed from another farm, then such person, as agent, shall pay any penalty due upon such marketing of tobacco.
- e. Warehouseman and dealer or dealer's tobacco. Any penalty due upon tobacco subject to penalty under paragraph (b) of Sec. 19 shall be paid by the warehouseman, who may deduct an amount equivalent to the penalty from the price paid to the dealer, but the dealer shall not be relieved of responsibility for payment of such penalty.
- f. Producer marketing outside United States. If the tobacco is marketed by the producer directly to any person outside the United States, the penalty shall be paid by the producer.

Sec. 21. Amount of penalty. The penalty shall be ten cents per pound upon any marketing of tobacco which is not identified under these regulations as being free from penalty.

Sec. 22. Penalty for false identification or failure to account for disposition of tobacco. If any producer falsely identifies or fails to account for disposition of any tobacco, an amount of tobacco equal to the normal yield (determined under the 1941 Agricultural Conservation Program) of the number of acres harvested in 1941 in excess of the farm acreage allotment shall be deemed to have been marketed in excess of the marketing quota for the farm and the penalty in respect thereof shall be paid and remitted by the producer.

Sec. 23. Payment of penalty. Penalties upon the marketing of tobacco shall become due at the time of the marketing, and shall be paid by remitting the amount thereof to the Marketing Quota Section, Agricultural Adjustment Administration, Washington, D. C., not later than the end of the calendar week following the week in which the memorandum of sale was issued, or, in the event a memorandum is not issued, not later than four weeks after the date upon which the tobacco was sold. A draft, money order, or check, payable to the order of the Treasurer of the United States may be used to pay any penalty, but any such draft, or check shall be received subject to payment at par.

Sec. 24. Application for return of penalty. Any producer of tobacco who bore the burden of the payment of any penalty collected may file an application for return of any amount of such penalty which is in excess of that amount equal to ten cents per pound upon the number of pounds marketed in excess of the farm marketing quota. Any application for the return of any penalty shall be filed on Form 41-Tob-74, "Application for Return of Penalty".

An application for the return of penalty filed by any producer of tobacco on a farm on which the tobacco available for marketing is in excess of the farm marketing quota shall not be approved unless (1) the marketing of tobacco from the farm has been completed and (2) disposition of all unmarketed excess tobacco has been made under the supervision of the county committee, (or its representative) and has been approved by the county committee.

Return of penalty collected upon marketings of tobacco from any farm on which the tobacco available for marketing is in excess of farm marketing quota shall be made only upon the basis of tobacco produced on the farm and, if the county committee has good cause to believe that any of the unmarketed excess tobacco as reported for the farm by the farm operator was not actually produced thereon, the application for such farm shall not be approved with respect to that tobacco which the committee has good cause to believe was not produced on the farm. The county committee shall approve an Application for Return of Penalty only with respect to that number of pounds of unmarketed excess tobacco which the committee determines is representative of the entire amount of tobacco available for marketing from the farm in the 1941-42 marketing year, taking into account the value of the unmarketed excess tobacco (which is disposed of) as appraised by the county committee (or its representative) and the value of tobacco marketed from the farm.

Any application for the return of penalty pursuant to this section shall be filed not later than sixty days before the end of the marketing year next succeeding that in which the penalty is collected.

RECORDS AND REPORTS

Sec. 25. Warehouseman's Records and Reports.

- a. Record of marketings. Each warehouseman shall keep such records as will enable him to furnish to the Secretary of Agriculture a report of the following information with respect to each sale or resale of tobacco made at his warehouse; the name of the seller (and, in the case of a sale for a producer, the name of the operator of the farm on which the tobacco was produced), the name of the purchaser, the date of sale, the number of pounds sold, the sale price, the amount of any penalty and the amount of any deduction on account of penalty from the price paid the producer (or a dealer). All purchases and resales for the warehouse leaf account shall be so identified in the records and a separate account shall be maintained with respect to the amount of floor sweepings picked up and the disposition of such floor sweepings. The quantity of floor sweepings, including bundles, leaves and scrap, picked up by the warehouse after each sale shall be reported in the space provided on the Auction Warehouse Report (Form 41-Tob-66). Any warehouseman who grades tobacco for farmers shall maintain a separate account showing the approximate amount of grading house scrap obtained from the tobacco graded from each farm. In the case of resales for dealers the name of the dealer making each resale shall be shown on the warehouse records so that the individual lots of tobacco sold by the dealer can be identified.
- b. Identification of sale on check register. The serial number of the memorandum of sale issued to identify each marketing of tobacco from the farm shall be recorded on the check register or check stub for the check written with respect to such sale of tobacco.
- c. Memorandum of sale record and bill of nonwarehouse sale record. A record in the form of a valid memorandum of sale (or a memorandum of sale cleared without marketing card) shall be obtained by every warehouseman to cover each marketing of tobacco from a farm through the warehouse, and if a warehouseman buys tobacco directly from a farmer (other than at a warehouse auction sale as defined in these regulations) such warehouseman shall obtain a valid memorandum of sale to cover each such purchase of tobacco, together with a properly executed Bill of Nonwarehouse Sale (Form 41-Tob-64). Any warehouseman who obtains possession of any grading house scrap in the course of grading tobacco from any farm shall obtain a memorandum of sale to cover the amount of such scrap tobacco from such farm.

- d. Suspended sale record. Any warehouse bills for which memoranda of sale have not been issued at the end of the sale day shall be presented to a field assistant who shall stamp such bills as "suspended", write thereon the serial number of the suspended sale, and record the bills on the Register of Suspended Sales (Form 41-Tob-62); provided that if a field assistant is not available, the warehouseman may stamp such bills suspended and deliver them to a field assistant as soon as one becomes available.
- e. Warehouse entries on dealers' records. Each warehouseman shall enter on each Dealer's Record (Form 41-Tob-65) the total of purchases and resales made by such dealer during each sale day at the warehouse. If any tobacco resold by the dealer is tobacco bought by him from a crop produced prior to 1941 the entry on the Dealer's Record shall clearly show such fact.
- f. Daily report of warehouse business and report of penalties. Each warehouseman shall make reports on Form 41-Tob-66, Auction Warehouse Report, and on Form 41-Tob-67, Listing of Penalties, showing the information required on the respective reports. Form 41-Tob-66 shall be prepared for each sale day and all reports for the sale days occurring during any week shall be forwarded to the Marketing Quota Section at or before the end of the next following calendar week. Form 41-Tob-67 shall be prepared for each week and the report for each week shall be forwarded, together with the remittance of the penalty due, as shown thereon, to the Marketing Quota Section not later than the end of the next following calendar week.
- g. Summary of warehouse accounts. Each warehouseman shall assist field assistants to prepare summaries of the warehouse account by making available all records kept and reports made by the warehouse as required by these regulations.
- h. Additional records and reports. In addition to the records and reports provided above, each warehouseman shall keep such additional records and make such additional reports to the Secretary of Agriculture as the Chief of the Marketing Quota Section may find necessary in order to enforce these regulations.

Sec. 26. Dealer's records and reports. Each dealer, except as provided in Sec. 27 below, shall keep the records and make the reports as provided by this section.

- a. Report of dealer's name, address and registration number. Each dealer shall properly execute and the field assistant shall detach and forward to the Marketing Quota Section the page "Receipt for Dealer's Record" contained in Form 41-Tob-65, "Dealer's Record" which is issued to the dealer.

- b. Record and report of purchases and resales. Each dealer shall keep a record and make reports on Form 41-Tob-65, "Dealer's Record", showing all purchases and resales of tobacco made by the dealer and, in the event of resale of tobacco bought from a crop produced prior to 1941, the fact that such tobacco was bought by him and carried over from a crop produced prior to 1941.
- c. Report of penalties. Each dealer shall make a report on Form 41-Tob-67 showing the information with respect to all purchases subject to penalty made by him during each calendar week. The amount of penalty shown to be due by each such report shall be remitted with the report.
- d. Memorandum of sale record and Bill of Nonwarehouse Sale Record. For each lot of tobacco purchased from a farmer each dealer shall obtain a record in the form of a valid memorandum of sale issued by a representative of the Marketing Quota Section or by an authorized representative of a scrap tobacco receiving point in the case of scrap tobacco sold and delivered to such receiving point. No memorandum of sale shall be issued unless: (a) the farm operator or his authorized agent has signed the "Operator's Certificate" on the back of the memorandum and (b) unless a properly executed Bill of Nonwarehouse Sale (Form 41-Tob-64) is presented covering such sale.
- e. Record and report of scrap tobacco. Each scrap tobacco receiving point which has been authorized to issue memoranda of sale on Form 41-Tob-75 shall keep a record and make reports on Form 41-Tob-63, "Record of Scrap Tobacco", showing all tobacco received. Such report shall be accompanied by Bills of Nonwarehouse Sale, Form 41-Tob-64, with respect to all tobacco covered by the report.
- f. Additional records. Each dealer shall keep such records, in addition to the foregoing, as may be necessary to enable him to furnish the following information with respect to each lot of tobacco purchased or sold by him: The name of the seller (and in the case of a purchase from a producer, the name of the operator of the farm on which the tobacco was produced), the name of the purchaser, the date of the transaction, the number of pounds and the gross sale price; and in the event of resale of tobacco bought by him and carried over from a crop produced prior to 1941, the fact that such tobacco was so bought and carried over.

All reports shall be forwarded to the Marketing Quota Section not later than the end of the week following the calendar week covered by the reports.

Sec. 27. Dealers exempt from regular records and reports. Any dealer who does not purchase or otherwise acquire tobacco except at a warehouse sale and who does not resell, in the form in which tobacco ordinarily is sold by farmers, more than ten percent of the tobacco purchased by him, shall not be subject to the provisions of Sec. 26 of these regulations; but each such dealer shall make such reports to the Secretary of Agriculture as the Chief of the Marketing Quota Section may find necessary to enforce these regulations.

Sec. 28. Records and reports of redryers, etc. Every person engaged in the business of redrying, prizing, or stemming tobacco for producers shall keep such records as will enable him to furnish the Secretary of Agriculture a report of the following information with respect to each lot of tobacco received by him: The date of receipt of the tobacco, the number of pounds received, the purpose for which the tobacco was received (and if received from a producer, the name and address of the farm operator, and the code and serial number of the farm on which the tobacco was grown), the amount of advance made by him on the tobacco, and the disposition of the tobacco. Each such person shall make such reports to the Secretary of Agriculture as the Chief of the Marketing Quota Section may find necessary to enforce these regulations.

Sec. 29. Separate records and reports from persons engaged in more than one business. Any person who is required to keep any record or make any report as a warehouseman, dealer, processor, or as a person engaged in the business of redrying, prizing, or stemming tobacco for producers, and who is engaged in more than one such business, shall keep such records as will enable him to make separate reports for each such business in which he is engaged, to the same extent for each such business as if he were engaged in no other business, except that a warehouseman shall not be required to keep a record and make reports on Form 41-Tob-65, "Dealer's Record", if the transactions which would be recorded and reported on such forms are recorded on the records kept by the warehouse in its regular course of business and reported as required on Form 41-Tob-66.

Sec. 30. Failure to keep record or make report. Any warehouseman, processor, or common carrier of tobacco, or person engaged in the business of purchasing tobacco from producers, or person engaged in the business of redrying, prizing or stemming tobacco for producers, who fails to make any report or keep any record as required under these regulations, or who makes any false report or record, shall be deemed guilty of a misdemeanor and upon conviction thereof shall be subject to a fine of not more than \$500; and any tobacco warehouseman or dealer who fails to remedy such violation by making a complete and accurate report or keeping a complete and accurate record as required under these regulations within fifteen days after notice to him of such violation shall be subject to an additional fine of \$100 for each ten thousand pounds of tobacco, or fraction thereof, bought or sold by him after the date of such violation; Provided, that such fine shall not exceed \$5,000; and notice of such violation shall be served upon the tobacco warehouseman or dealer by mailing the same to him by registered mail or by posting the same at an established place of business operated by him, or both. Notice of any violation by a tobacco warehouseman or dealer shall be given by the Chief of the Marketing Quota Section.

Sec. 31. Examination of records and reports. For the purpose of ascertaining the correctness of any report made or record kept, or of obtaining information required to be furnished in any report, but not so furnished, any warehouseman, dealer, processor, common carrier or person engaged in the business of redrying, prizing or stemming tobacco for producers shall make available for examination, upon written request by the Chief of the Marketing Quota Section, such books, papers, records, accounts, correspondence, contracts, documents and memoranda as he has reason to believe are relevant and are within the control of such person.

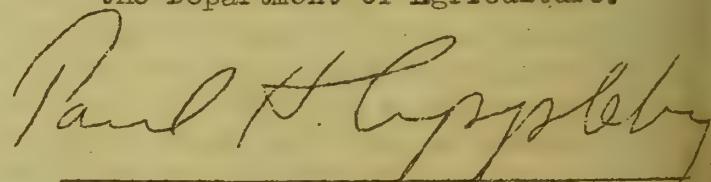
Sec. 32. Length of time records and reports to be kept. Records required to be kept and copies of the reports required to be made by any person under these regulations for the 1941-42 marketing year shall be kept by him until June 30, 1943, and for such longer period of time as may be requested in writing by the Chief of the Marketing Quota Section.

Sec. 33. Information confidential. All data reported to or acquired by the Secretary of Agriculture pursuant to the provisions of these regulations shall be kept confidential by all officers and employees of the Department of Agriculture, and only such data so reported or acquired as the Secretary of Agriculture deems relevant shall be disclosed by them and then only in a suit or administrative hearing under Title III of the Act.

BY VIRTUE OF THE AUTHORITY vested in the Secretary of Agriculture by Title III of the Agricultural Adjustment Act of 1938 (Public Law No. 430, 75th Congress, approved February 16, 1938), as amended, I,
Paul H. Appleby, Acting Secretary of Agriculture, do hereby make, prescribe, publish and give public notice of the foregoing regulations pertaining to flue-cured tobacco marketing quotas for the 1941-42 marketing year to be in force and effect for said marketing year until amended or superseded by regulations hereafter made by the Secretary of Agriculture under said Act.

(SEAL)

Done at Washington, D. C.,
this 23rd day of July, 1941.
Witness my hand and the seal of
the Department of Agriculture.



Acting Secretary of Agriculture.

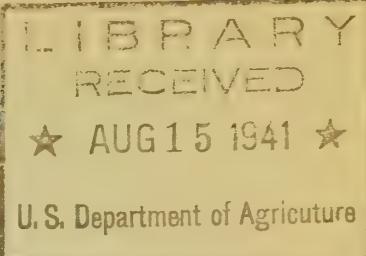
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41-Tob-56 - Supplement 1

Issued August 8, 1941

UNITED STATES DEPARTMENT OF AGRICULTURE
AGRICULTURAL ADJUSTMENT ADMINISTRATION

Supplement 1 to Marketing Quota Regulations -
Flue-cured Tobacco - 1941-42 Marketing Year



Marketing Quota Regulations, Flue-cured Tobacco - 1941-42 Marketing Year, are hereby amended as follows:

Sec. 4 is amended by adding at the end thereof the following:

"The marketing quota for any farm having tobacco carried over from a crop produced prior to the calendar year 1941, shall be whichever of the following is applicable:

1. If the harvested acreage of tobacco in the year in which the carry-over tobacco was produced is not greater than the acreage allotment for such year and the acreage of tobacco harvested on the farm in 1941 is not greater than the acreage allotment for such year, the marketing quota shall be the actual production of tobacco on the farm acreage allotment for 1941 plus the amount of the carry-over tobacco.
2. If the acreage of tobacco harvested on the farm in the year in which the carry-over tobacco was produced is greater than the acreage allotment for such year and the acreage of tobacco harvested on the farm in 1941 is less than the acreage allotment for 1941 by as much as the number of acres obtained by dividing into the carry-over tobacco the normal yield for the farm, the farm marketing quota shall be the actual production on the farm in 1941 plus the amount of the carry-over tobacco.
3. If the acreage of tobacco harvested on the farm in the year in which the carry-over tobacco was produced is greater than the acreage allotment for such year and the acreage of tobacco harvested on the farm in 1941 does not exceed the 1941 acreage allotment but is not less than such acreage allotment by as much as the number of acres obtained by dividing into the total pounds of carry-over tobacco the normal yield for the farm, the farm marketing quota shall be the actual production of tobacco on the farm in 1941 plus an amount of tobacco equal to the 1941 normal yield for the farm times the number of acres by which the 1941 farm acreage allotment exceeds the acreage of tobacco harvested in 1941.
4. If the harvested acreage of tobacco in the year in which the carry-over tobacco was produced is greater than the

acreage allotment for such year and the acreage of tobacco harvested on the farm in 1941 is greater than the acreage allotment for such year, the marketing quota shall be the actual production of tobacco on the farm acreage allotment for 1941.

5. If the harvested acreage of tobacco in the year in which the carry-over tobacco was produced is not greater than the acreage allotment for such year but the acreage of tobacco harvested on the farm in 1941 is in excess of the acreage allotment for such year the marketing quota shall be the actual production of tobacco on the farm acreage allotment for 1941, plus the amount of carry-over tobacco.

"Excess tobacco in the case of farms having tobacco carried over from the calendar year prior to 1941 shall be all tobacco available for marketing from the farm in excess of the farm marketing quota determined as provided under paragraphs 3, 4 or 5 above."

Sec. 5 is amended by adding at the end thereof the following:

"d. Issuance of marketing cards for farms having carry-over tobacco.

1. For any farm on which the marketing quota is that amount determined pursuant to paragraph 1 or 2 of Section 4 above, there shall be issued a within quota marketing card, unless the farm is operated by a person who also operates another farm on which there is tobacco available for marketing in excess of the farm marketing quota, in which event there shall be issued an excess marketing card.
2. For any farm on which the farm marketing quota is that amount determined pursuant to paragraph 3, 4, or 5 of Sec. 4 above, there shall be issued an excess marketing card.

"The percent excess for any farm for which paragraphs 3 and 4 of Sec. 4 are applicable shall be computed as follows: (a) A number of acres shall be determined by dividing into the carry-over tobacco the 1941 normal yield per acre for the farm; (b) the number of acres determined under (a) shall be added to the 1941 harvested acreage; (c) there shall be subtracted from the acreage determined under (b) the 1941 acreage allotment; and (d) the result obtained under (c) shall be divided by the acreage determined under (b).

"The percent excess for any farm for which paragraph 5 of Section 4 is applicable shall be computed as follows: (a) A number of

acres shall be determined by dividing into the carry-over tobacco the 1941 normal yield per acre for the farm; (b) the number of acres under (a) shall be added to the 1941 harvested acreage; (c) the number of acres determined under (a) shall be added to the 1940 acreage allotment; (d) there shall be subtracted from the acreage determined under (b) the acreage determined under (c) above; (e) the result obtained under (d) shall be divided by the acreage determined under (b)."

Sec. 9 is amended by adding at the end thereof the following:

"The rights of producers in the marketing card for a farm having tobacco carried over from a crop produced prior to 1941 shall be determined in accordance with the provisions of this section, except that the burden of any penalty with respect to any such carry-over tobacco shall be borne by those persons having an interest in such tobacco."

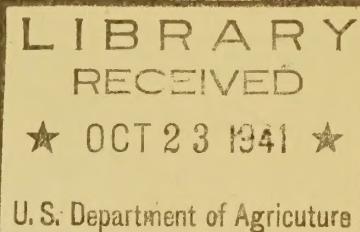
By virtue of the authority vested in the Secretary of Agriculture under Title III of the Agricultural Adjustment Act of 1938 (Public Law No. 430, 75th Congress, approved February 16, 1938, 52 Stat. 31, 7 U.S.C. 1301 et seq.), as amended, he does make, prescribe, and publish the foregoing amendments to the Marketing Quota Regulations - Flue-cured Tobacco - 1941-42 Marketing Year, designated 41-Tob-56, issued by the Secretary on July 23, 1941, which regulations, as so amended, shall be in full force and effect until amended or superseded by regulations hereafter made by the Secretary of Agriculture.

(SEAL)

Done at Washington, D. C.,
this 8th day of August 1941.
Witness my hand and the seal of
the Department of Agriculture

/s/ Paul H. Appleby
Acting Secretary of Agriculture

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UNITED STATES DEPARTMENT OF AGRICULTURE
AGRICULTURAL ADJUSTMENT ADMINISTRATIONSupplement 2 to Marketing Quota Regulations -
Flue-cured Tobacco - 1941-42 Marketing Year

Marketing Quota Regulations, Flue-cured Tobacco - 1941-42 Marketing Year, are hereby amended as follows:

Sec. 25 is amended by striking out paragraph (b) of such Section and inserting in lieu thereof the following:

"(b) Identification of Sale on Check Register.
The serial number of the memorandum of sale issued to identify each marketing of tobacco from the farm or the number of the warehouse bill(s) covering each such marketing shall be recorded on the check register or check stub for the check written with respect to such sale of tobacco."

By virtue of the authority vested in the Secretary of Agriculture under Title III of the Agricultural Adjustment Act of 1938 (Public Law No. 430, 75th Congress, approved February 16, 1938, 52 Stat. 31, 7 U.S.C. 1301 et seq.), as amended, he does make, prescribe, and publish the foregoing amendment to the Marketing Quota Regulations - Flue-cured Tobacco - 1941-42 Marketing Year, designated 41-Tob-56, issued by the Secretary on July 23, 1941, which regulations, as amended, shall be in full force and effect until amended or superseded by regulations hereafter made by the Secretary of Agriculture.

Done at Washington, D. C.,
this 23rd day of September
1941. Witness my hand and the
seal of the Department of
Agriculture.

/S/ Grover B. Hill
Acting Secretary of Agriculture

